

# OFFICIAL GAZETTE



## GOVERNMENT OF GOA, DAMAN AND DIU

### GOVERNMENT OF GOA, DAMAN AND DIU

Law and Judiciary Department

#### Notification

LD/2224/77

The following Central Act The Finance Act, 1977 (Act No. 11 of 1977) which was recently passed by the Parliament and assented to by the President of India on 6-4-1977 and published in the Gazette of India, Extraordinary Part II, Section I dated 6-4-1977 is hereby republished for general information of the public.

K. C. D. Gangwani, Law Secretary.

Panaji, 2nd May, 1977.

#### The Finance Act, 1977

AN  
ACT

*to continue for the financial year 1977-78 the existing rates of income-tax with certain modifications and to provide for the continuance of the provisions relating to auxiliary duties of customs and excise and the discontinuance of the duty on salt for the said year.*

BE it enacted by Parliament in the Twenty-eighth Year of the Republic of India as follows: —

1. *Short title and commencement.* — (1) This Act may be called the Finance Act, 1977.

(2) Save as otherwise provided in this Act, it shall be deemed to have come into force on the 1st day of April, 1977.

2. *Income-tax.* — The provisions of section 2 of, and the First Schedule to, the Finance Act, 1976, shall apply in relation to income-tax for the assessment year or, as the case may be, the financial year commencing on the 1st day of April, 1977, as they apply in relation to income-tax for the assessment year or, as the case may be, the financial year commencing

on the 1st day of April, 1976, with the following modifications, namely: —

(a) in section 2, —

(i) for sub-section (1), the following sub-section shall be substituted, namely: —

“(1) Subject to the provisions of sub-sections (2) and (4), for the assessment year commencing on the 1st day of April, 1977, income-tax shall be charged at the rates specified in Part I of the First Schedule and shall be increased, —

(a) in the cases to which Paragraphs A, B, C and D of that Part apply, by a surcharge for purposes of the Union; and

(b) in the cases to which Paragraph E of that Part applies, by a surcharge,

calculated in each case in the manner provided therein:

Provided that where an assessee, being a company, has made, during the financial year commencing on the 1st day of April, 1976, any deposit with the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964 under the Companies Deposits (Surcharge on Income-tax) Scheme, 1976, then, the surcharge on income-tax payable by the company, — 18 of 1964.

(a) in a case where the amount of the deposit so made is equal to or exceeds the amount of surcharge on income-tax payable by it, shall be *nil*; and

(b) in a case where the amount of the deposit so made falls short of the amount of surcharge on income-tax payable by it, shall be reduced by the amount of the deposit.”;

(ii) sub-section (3) shall be omitted;

(iii) for sub-section (8), the following sub-section shall be substituted, namely: —

“(8) Where an assessee, being a company, makes, during the financial year commencing on the 1st day of April, 1977, any deposit with the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964 under any such 18 of 1964.

scheme as the Central Government may, by notification in the Official Gazette, frame in this behalf, then, the surcharge on income-tax payable by the company for the assessment year commencing on the 1st day of April, 1978, —

(i) in a case where the amount of the deposit so made is equal to or exceeds the amount of surcharge on income-tax payable by it, shall be *nil*; and

(ii) in a case where the amount of the deposit so made falls short of the amount of surcharge on income-tax payable by it, shall be reduced by the amount of the deposit.”;

(iv) in sub-section (9), in clause (b), for the figures “1976”, the figures “1977” shall be substituted;

(b) in the First Schedule, —

(i) in Part I, —

(1) for Paragraph A, the following Paragraph shall be substituted, namely: —

#### “Paragraph A

##### Sub-Paragraph I

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies, —

##### Rates of income-tax

- |  |  |
|--|--|
| (1) where the total income does not exceed Rs. 8,000                         | <i>Nil</i> ;   |
| (2) where the total income exceeds Rs. 8,000 but does not exceed Rs. 15,000  | 15 per cent. of the amount by which the total income exceeds Rs. 8,000;                        |
| (3) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 | Rs. 1,050 <i>plus</i> 18 per cent. of the amount by which the total income exceeds Rs. 15,000; |
| (4) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000 | Rs. 1,950 <i>plus</i> 25 per cent. of the amount by which the total income exceeds Rs. 20,000; |
| (5) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000 | Rs. 3,200 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 25,000; |
| (6) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000 | Rs. 4,700 <i>plus</i> 40 per cent. of the amount by which the total income exceeds Rs. 30,000; |

(7) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000	Rs. 12,700 <i>plus</i> 50 per cent. of the amount by which the total income exceeds Rs. 50,000;
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(8) where the total income exceeds Rs. 70,000 but does not exceed Rs. 1,00,000	Rs. 22,700 <i>plus</i> 55 per cent. of the amount by which the total income exceeds Rs. 70,000.
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(9) where the total income exceeds Rs. 1,00,000	Rs. 39,200 <i>plus</i> 60 per cent. of the amount by which the total income exceeds Rs. 1,00,000.
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##### Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

##### Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1977 exceeds Rs. 8,000, —

##### Rates of income-tax

- |  |   |
|--|---|
| (1) where the total income does not exceed Rs. 8,000                         | <i>Nil</i> ;  |
| (2) where the total income exceeds Rs. 8,000 but does not exceed Rs. 15,000  | 18 per cent. of the amount by which the total income exceeds Rs. 8,000;                         |
| (3) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 | Rs. 1,260 <i>plus</i> 25 per cent. of the amount by which the total income exceeds Rs. 15,000;  |
| (4) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000 | Rs. 2,510 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000;  |
| (5) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000 | Rs. 4,010 <i>plus</i> 40 per cent. of the amount by which the total income exceeds Rs. 25,000;  |
| (6) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000 | Rs. 6,010 <i>plus</i> 50 per cent. of the amount by which the total income exceeds Rs. 30,000;  |
| (7) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000 | Rs. 16,010 <i>plus</i> 55 per cent. of the amount by which the total income exceeds Rs. 50,000; |

- (8) where the total income exceeds Rs. 70,000 Rs. 27,010 plus 60 per cent. of the amount by which the total income exceeds Rs. 70,000.

*Surcharge on income-tax*

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.”;

- (2) Paragraph E shall be omitted;

- (3) Paragraph F shall be re-lettered as Paragraph E and in Paragraph E as so re-lettered, —

(A) the words and figures “, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956” shall be omitted; 31 of 1956.

(B) for the words, figures and letters “after the 31st day of March, 1961, or”, the words, figures and letters “after the 31st day of March, 1961 but before the 1st day of April, 1976, or” shall be substituted;

(C) for the words, figures and letters “after the 29th day of February, 1964,” the words, figures and letters “after the 29th day of February, 1964 but before the 1st day of April, 1976”, shall be substituted;

- (ii) in Part III, in Sub-Paragraph II of Paragraph A, for the figures “1977”, the figures “1978” shall be substituted;

- (iii) in Part IV, in rule 9, —

(a) for sub-rules (1) and (2), the following sub-rules shall be substituted, namely: —

“(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1977, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1974 or the 1st day of April, 1975 or the 1st day of April, 1976, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act, —

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1974, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1975 or the 1st day of April, 1976,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1975, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1976, and

- (iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1976,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1977.

*Explanation.*— In this sub-rule and sub-rule (2), the expression “section 2 of this Act” means section 2 of the Finance Act, 1976, as applied for the purposes of this Act. 66 of 1976.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1978 or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than that previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1974 or the 1st day of April, 1975 or the 1st day of April, 1976 or the 1st day of April, 1977, is a loss, then, for the purposes of sub-section (7) of section 2 of this Act, —

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1974, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1975 or the 1st day of April, 1976 or the 1st day of April, 1977,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1975, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1976 or the 1st day of April, 1977,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1976, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1977, and

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1977,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1978 or the period aforesaid.”;

(b) for sub-rule (5), the following sub-rule shall be substituted, namely: —

“(5) Notwithstanding anything contained in this rule, no loss which has not been determined by the Income-tax Officer under the provisions of these rules, or the rules contained in Part IV of the First Schedule to the Finance Act, 1974, or of the First Schedule to the Finance Act, 1975, or of the First Schedule to the Finance Act, 1976, shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).”

20 of 1974.

25 of 1975.

66 of 1976.

3. *Auxiliary duty of customs.* — (1) In the case of goods mentioned in the First Schedule to the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), or in that Schedule as amended from time to time, there shall be levied and collected as an auxiliary duty of customs an amount equal to twenty per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (hereinafter referred to as the Customs Act).

51 of 1975.

52 of 1962.

(2) Sub-section (1) shall come into force on the 1st day of July, 1977 and cease to have effect after the 31st day of March, 1978, except as respects things done or omitted to be done before such cesser, and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

10 of 1897.

(3) The auxiliary duties of customs referred to in sub-section (1) shall be in addition to any duties of customs chargeable on such goods under the Customs Act, or any other law for the time being in force.

(4) The provisions of the Customs Act, and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the auxiliary duties of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations, as the case may be.

4. *Auxiliary duties of excise.* — (1) In the case of goods mentioned in the First Schedule to the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), or in that Schedule as amended from time to time, there shall be levied and collected as an auxiliary duty of excise an amount equal to twenty per cent. of the value of the goods as determined in accordance with the provisions of section 4 of the Central Excises Act.

1 of 1944.

(2) Sub-section (1) shall come into force on the 1st day of July, 1977 and cease to have effect after the 31st day

of March, 1978, except as respects things done or omitted to be done before such cesser, and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The auxiliary duties of excise referred to in sub-section (1) shall be in addition to any duties of excise chargeable on such goods under the Central Excises Act, or any other law for the time being in force.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the auxiliary duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules, as the case may be.

5. *Discontinuance of salt duty.* — For the year beginning on the 1st day of April, 1977, no duty under the Central Excises Act or the Customs Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

#### Notification

LD/2580/77

The following ordinance which was promulgated by the President of India on 9th May, 1977 is hereby republished for general information of the public.

B. S. Subbanna, Draftsman.

Panaji 27th May, 1977.

#### MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS

(Legislative Department)

New Delhi, the 9th May, 1977/

Vaisakha 19, 1899 (Saka)

#### THE ADDITIONAL EMOLUMENTS (COMPULSORY DEPOSIT) AMENDMENT ORDINANCE, 1977

No. 7 of 1977

Promulgated by the Vice-President acting as President in the Twenty-eighth Year of the Republic of India

An Ordinance further to amend the Additional Emoluments (Compulsory Deposit) Act, 1974.

Whereas Parliament is not in session and the Vice-President acting as President is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, Therefore, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the Vice-President acting as President is pleased to promulgate the following Ordinance: —

1. *Short title and commencement.* — (1) This Ordinance may be called the Additional Emoluments (Compulsory Deposit) Amendment Ordinance, 1977.

(2) It shall be deemed to have come into force on the 6th day of May, 1977.

2. *Amendment of section 6.* — In clause (b) of sub-section (1) of section 6 of the Additional Emoluments (Compulsory Deposit) Act, 1974 (hereinafter referred to as the principal Act), for the words "three years", the words "two years and ten months" shall be substituted. 37 of 1974.

3. *Amendment of section 9.* — In section 9 of the principal Act, —

(a) in sub-section (1), for the words, figure and brackets "provisions of sub-section (2)", the words "other provisions of this section" shall be substituted;

(b) to sub-section (3), the following provisos shall be added, namely: —

"Provided that repayment of the second annual instalment due on the 6th day of July, 1977, to the employees who subscribe to any provident fund shall not be made in cash but the amount payable towards the said instalment together with interest payable under this sub-section shall be credited to the provident fund account of the concerned employee:

Provided further that the employer shall not be required to make any contribution under the Employees Provident Funds and Miscellaneous Provisions Act, 1952, or under any other law for the time being in force, in relation to the amounts so credited to the provident fund account of the concerned employee." 19 of 1952.

(c) in the first proviso to sub-section (4), after the words "Employees Provident Funds", the words "and Miscellaneous Provisions" shall be inserted.

B. D. JATTI,

Vice-President acting as President.

K. K. SUNDARAM,

*Secy. to the Govt. of India.*

#### Notification

LD/2168/77

The following Notifications received from the Government of India, Ministry of Labour New Delhi, are hereby republished for general information of the public.

B. S. Subbanna, Under Secretary (Law).

Panaji, 6th May, 1977.

#### GOVERNMENT OF INDIA

(BHARAT SARKAR)

#### MINISTRY OF LABOUR

(SHRAM MANTRALAYA)

*Dated New Delhi, the 15th March, 1977*

#### Notification

S. O. — In exercise of the powers conferred by sub-paragraph (1) of Paragraph 52 of the Em-

ployees' Provident Funds Scheme, 1952 and in continuation of the notification of the Government of India in the Ministry of Labour No. S. O. 56(E) dated 31st January, 1977 the Central Government hereby directs that all monies belonging to the Fund shall be invested in accordance with the following pattern, namely: —

- |  |                   |
|--|-------------------|
| i) Government securities as defined in clause (2) of Section 2 of the Public Debt Act, 1944 (18 of 1944) created and issued by the Central Government.                                   | Not less than 25% |
| ii) Government securities as defined in Clause (2) of Section 2 of the Public Debt Act, 1944 (18 of 1944) created and issued by any State Government.                                    | Not less than 25% |
| iii) Any other negotiable securities or bonds, the principal whereof and interest whereon is fully and unconditionally guaranteed by the Central Government or any State Government.     | Not less than 25% |
| iv) 7 — Year National Savings Certificates (Second Issue and Third Issue) or Post Office Time Deposits.  | Not exceeding 30% |
| v) Special Deposit Scheme introduced by the notification of the Government of India in the Ministry of Finance (Department of Economic Affairs) No. F.16(1)-PD/75 dated 30th June, 1975. | Not exceeding 20% |

2. The above pattern will be in force from the 1st April, 1977 to 30th June, 1977. Reinvestment of Post Office Time Deposits maturing during this period shall be made 50% in Post Office Time Deposits and 50% in Special Deposits. Subject to this, reinvestment of all other maturities of Provident Fund accumulations shall continue to be made in accordance with the pattern mentioned in paragraph 1 above.

[No. G-27035(5)/76-PFI(ii)]

Sd/-

S. S. SAHASRANAMAN

Deputy Secretary.

*Dated New Delhi, the 15th March, 1977*

#### Notification

S. O. — In exercise of the powers conferred by Clause (a) of sub-section (3) of section 17 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952), and in continuation of the notification of the Government of India, in the Ministry of Labour No. S.O.55(E) dated 31st January, 1977 the Central Government hereby directs that every employer in relation to an establishment exempted under clause (a) or clause (b) of sub-section (1) of section 17 of the said Act or in relation to any employee or class of employees exempted under paragraph 27, or as the case may

be, paragraph 27A of the Employees' Provident Fund Scheme, 1952, shall transfer the monthly provident fund contributions in respect of the establishment or, as the case may be, or the employee or class of employees within fifteen days of the close of the month to the Board of Trustees, duly constituted in respect of that establishment, and that the said Board of Trustees shall invest every month within a period of two weeks from the date of receipt of the said contributions from the employer, the Provident Fund accumulations in respect of the establishment or as the case may be, of the employee, or class of employees that is to say, the contributions, interest and other receipts as reduced by any obligatory outgoings, in accordance with the following pattern, namely: —

- |  |                   |
|--|-------------------|
| i) Government securities as defined in clause (2) of Section 2 of the Public Debt Act, 1944 (18 of 1944) created and issued by the Central Government.                               | Not less than 25% |
| ii) Government securities as defined in Clause (2) of Section 2 of the Public Debt Act, 1944 (18 of 1944) created and issued by any State Government.                                | Not less than 25% |
| iii) Any other negotiable securities or bonds, the principal whereof and interest whereon is fully and unconditionally guaranteed by the Central Government or any State Government. |                   |

- |  |                   |
|--|-------------------|
| iv) 7 — Year National Savings Certificates (Second Issue and Third Issue) or Post Office Time Deposits.  | Not exceeding 30% |
| v) Special Deposit Scheme introduced by the notification of the Government of India in the Ministry of Finance (Department of Economic Affairs) No. F.16(1)-PD/75 dated 30th June, 1975. | Not exceeding 20% |

2. The above pattern will be in force from the 1st April, 1977 to 30th June, 1977. Reinvestment of Post Office Time Deposits maturing during this period shall be made 50% in Post Office Time Deposits and 30% in Special Deposits. Subject to this, reinvestment of all other maturities of Provident Fund accumulations shall continue to be made in accordance with the pattern mentioned in paragraph 1 above.

3. The Board of Trustees shall formulate proper procedure for prompt investment or re-investment of accumulations in accordance with the aforesaid directions.

[No. G-27035(5)/76-PFI(i)]

Sd/-

S. S. SAHASRANAMAN

Deputy Secretary.